KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

All blanks must be complete

TEMPORARY ABANDONMENT WELL APPLICATION

| OPERATOR: License# | | | | API No. 15- | API No. 15 | | | | | | | | | |
|---------------------------|------------------------------|-----------------|----------------|--|----------------|----------------|----------------------|------------------------------|--|--------------------|--|--|--|--|
| | | | | Spot Description: | | | | | | | | | | |
| | | | | | | | | | | | | | | |
| | | | | feet from N / S Line of Section feet from E / W Line of Section | | | | | | | | | | |
| | | | | | | | | | | GPS Location: Lat: | | | | |
| | | | | Lease Name: Well #: | | | | | | | | | | |
| | | | | Field Contact Person: | | | | | Well Type: (check one) Oil Gas OG WSW Other: | | | | | |
| | | | | Field Contact Person Phor | | | | SWD Permit #: ENHR Permit #: | | | | | | |
| | (| | | Gas Sto | rage Permit #: | | Date Shut-In: | | | | | | | |
| | Conductor | Surface | P | roduction | Intermedia | te | Liner | Tubing | | | | | | |
| Size | | | | | | | | | | | | | | |
| Setting Depth | | | | | | | | | | | | | | |
| Amount of Cement | | | | | | | | | | | | | | |
| Top of Cement | | | | | | | | | | | | | | |
| Bottom of Cement | | | | | | | | | | | | | | |
| Casing Fluid Level from S | urface: | | How Determined | ? | | | Date | : | | | | | | |
| Casing Squeeze(s): | | | | | | | | | | | | | | |
| Do you have a valid Oil & | Gas Lease? 🗌 Yes [| No | | | | | | | | | | | | |
| Depth and Type: 🗌 Junk | k in Hole at | Tools in Hole | at C | asing Leaks: | Yes No [| Depth of casir | ng leak(s): | | | | | | | |
| | | | | | | | | | | | | | | |
| Type Completion: AL | | | | | | | (depth) | | 1 comon | | | | | |
| Packer Type: | Size: _ | | | n Set at: | | _ Feet | | | | | | | | |
| Total Depth: | Plug Ba | ack Depth: | | Plug Back Metho | od: | | | | | | | | | |
| Geological Date: | | | | | | | | | | | | | | |
| Formation Name | Formation Top Formation Base | | | Completion Information | | | | | | | | | | |
| 1 | At: | to | Feet Perf | foration Interval _ | to | Feet or C | Dpen Hole Interval | to | Feet | | | | | |
| 2 | At: | to | Feet Perl | foration Interval - | to | Feet or C | Open Hole Interval — | to | Feet | | | | | |
| | D HIDVI LEDEDV ATT | сет ти ат тис и | | | | | | | DOE | | | | | |
| | | c. | ubmitted El | ootropioally | | | | | | | | | | |

Submitted Electronically

| <i>Do NOT Write in This Space -</i> KCC USE ONLY | Date Tested: | Results: | Date Plugged: | Date Repaired: | Date Put Back in Service: |
|--|--------------|-----------|---------------|----------------|---------------------------|
| Review Completed by: | | Comments: | | | |
| TA Approved: 🗌 Yes 🗌 [| Denied Date: | | | | |

Mail to the Appropriate KCC Conservation Office:

| There has no no no as fair and and and and and and | KCC District Office #1 - 210 E. Frontview, Suite A, Dodge City, KS 67801 | Phone 620.682.7933 |
|--|--|--------------------|
| Norm Norm <td< th=""><td>KCC District Office #2 - 3450 N. Rock Road, Building 600, Suite 601, Wichita, KS 67226</td><td>Phone 316.337.7400</td></td<> | KCC District Office #2 - 3450 N. Rock Road, Building 600, Suite 601, Wichita, KS 67226 | Phone 316.337.7400 |
| 1 | KCC District Office #3 - 137 E. 21st St., Chanute, KS 66720 | Phone 620.902.6450 |
| And the set of the set | KCC District Office #4 - 2301 E. 13th Street, Hays, KS 67601-2651 | Phone 785.261.6250 |

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

| Before Commissioners: | Dwight D. Keen, Chai Shari Feist Albrecht Susan K. Duffy | | | |
|----------------------------------|--|---|------|--|
| In the matter of the application | on of Colt |) | Dock | |

In the matter of the application of Colt Energy, Inc. for an exception to the 10-year time limitation of K.A.R. 82-3-111 for its David W. Hinkle 1-1 well located in the SW/4 of the NW/4 of Section 1, Township 32 South, Range 17 East, Labette County, Kansas. Docket No. 20-CONS-3113-CEXC

CONSERVATION DIVISION

License No. 5150

ORDER GRANTING APPLICATION

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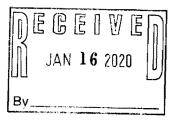
The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being duly advised in the premises, the Commission makes the following findings:

I. JURISDICTION

1. The Commission has the exclusive jurisdiction and authority to regulate oil and gas activities in Kansas.¹

2. A well shall not be eligible for temporary abandonment (TA) status if the well has been shut in for 10 years or more without an application for an exception pursuant to K.A.R. 82-3-100 and approval by the Commission.² An exception may be granted by the Commission, after considering whether the exception will prevent waste, protect correlative rights, and prevent pollution. Each party requesting an exception shall file an application with the conservation division.³

- ¹ K.S.A. 74-623.
- ² K.A.R. 82-3-111(b).



³ K.A.R. 82-3-100(b).

II. FINDINGS OF FACT

3. Colt Energy, Inc. (Operator) conducts oil and gas activities in Kansas under active license number 5150.

4. On October 17, 2019, Operator filed an application requesting an exception to the 10-year limit on TA status for the Hinkle David W #1-1 well (subject well), API #15-099-23472.⁴

5. Operator has verified that notice was properly served and published at least 15 days before the issuance of this Order, as required under K.A.R. 82-3-135a.

6. No protest was filed under K.A.R. 82-3-135b.

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7. On October 7, 2019, Operator successfully tested the subject well for mechanical integrity, indicating there is not a present threat to fresh and usable water.⁵

8. The Commission finds the reasons articulated in the application and the results of the mechanical integrity test sufficient to support the administrative grant of the application.

III. CONCLUSIONS OF LAW

9. The Commission concludes that it has jurisdiction over Operator and this matter.⁶

10. The Commission concludes that Operator's application was filed in accordance

11. The Commission concludes that notice was properly served and published.

with the rules and regulations of the Commission and in accordance with Kansas statutes.

⁴ In its application, Operator calls the subject well the David W. Hinkle #1-1, but the API number and location listed in the application describe what is known in Commission databases as the Hinkle David W #1-1. There is no doubt based upon its application that Operator requests approval for Hinkle David W #1-1.

⁵ While Operator's application states that the subject well was successfully tested for mechanical integrity on October 8, 2019, Commission databases indicate the well was successfully tested on October 7, 2019. ⁶ K.S.A. 74-623(a).

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12. Based on the above facts, the Commission concludes that the application should be granted to prevent waste and protect correlative rights, because Operator has demonstrated a potential future use for the well, and there is not a present threat to fresh and usable water.

THEREFORE, THE COMMISSION ORDERS:

A. Operator's application for an exception to the 10-year limit on TA status for the subject well is granted for three years, calculated from the date the application was filed.

B. Operator must file an annual TA form for the subject well. The first TA form shall be filed within thirty (30) days.

C. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).⁷

BY THE COMMISSION IT IS SO ORDERED.

Keen, Chair; Albrecht, Commissioner; Duffy, Commissioner

Date: 01/09/2020

Lynn M. Rof

Lynn M. Retz Executive Director

Date Mailed: 01/09/2020

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⁷ K.S.A. 55-162; K.S.A. 55-606; K.S.A. 55-707; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

20-CONS-3113-CEXC

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of

first class mail and electronic service on 01/09/2020

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JOHN ALMOND KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 3 137 E. 21ST STREET CHANUTE, KS 66720 Fax: 785-271-3354 j.almond@kcc.ks.gov

KELCEY MARSH, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION CENTRAL OFFICE 266 N. MAIN ST, STE 220 WICHITA, KS 67202-1513 Fax: 785-271-3354 k.marsh@kcc.ks.gov JOHN AMERMAN COLT ENERGY INC. PO BOX 388 IOLA, KS 66749-0388

TROY RUSSELL KANSAS CORPORATION COMMISSION DISTRICT OFFICE NO. 3 137 E. 21ST STREET CHANUTE, KS 66720 Fax: 785-271-3354 t.russell@kcc.ks.gov

/S/ DeeAnn Shupe DeeAnn Shupe Conservation Division District Office No. 3 137 E. 21st Street Chanute, KS 66720



Phone: 620-902-6450 http://kcc.ks.gov/

Susan K. Duffy, Chair Shari Feist Albrecht, Commissioner Dwight D. Keen, Commissioner Laura Kelly, Governor

June 02, 2020

John Amerman Colt Energy Inc PO BOX 388 IOLA, KS 66749-0388

Re: Temporary Abandonment API 15-099-23472-00-00 HINKLE DAVID W 1-1 NW/4 Sec.01-32S-17E Labette County, Kansas

Dear John Amerman:

"Your temporary abandonment (TA) application for the well listed above has been approved. In accordance with K.A.R. 82-3-111 the TA status of this well will expire 10/17/2020.

* If you return this well to service or plug it, please notify the District Office.

* If you sell this well you are required to file a Transfer of Operator form, T-1.

* If the well will remain temporarily abandoned, you must submit a new TA application, CP-111, before 10/17/2020.

You may contact me at the number above if you have questions.

Very truly yours,

Alan Dunning ECRS"